Subcommittee Chairmen Hurd and Meadows Opening Statements "FITARA Scorecard 4.0"

<u>Subcommittee on Information Technology</u> - Chairman Will Hurd (R-TX) <u>Subcommittee on Government Operations</u> - Chairman Mark Meadows (R-NC)

Chairman Will Hurd (R-TX):



Chairman Mark Meadows (R-NC):



Chairman Hurd's Remarks as Delivered:

"Good afternoon, thank you all for being here. You know, nearly two years ago today, we released the first FITARA Scorecard - or what some refer to as Issa-Connolly, is that right Mr. Connolly? This bipartisan Committee product, produced with GAO assistance, has been intended to drive technology reform across all of our federal agencies.

Today the Committee released the fourth FITARA Scorecard. The Committee, in coordination with GAO, has adjusted the calculation and added new metrics for each version of the Scorecard since the beginning. For example, the FITARA Scorecard 3.0 final grade included a plus to indicate if the CIO reports to the Secretary or Deputy Secretary of the agency and a minus to indicate if the CIO does not report to these officials. That system remains in place for Scorecard 4.0 and I strongly urge that all agencies with a minus to adjust their reporting structure. This is any easy fix and will help agencies continue to move towards 21st century IT practices.

For Scorecard 4.0, the Committee made two adjustments to the grading. First, we simplified the calculation for the incremental developmental area to capture more incremental projects. Second, we incorporated OMB data center optimization metrics into the data center grade so that half the grade is now based on savings as a result of consolidation and half the grade is based upon meeting optimization metrics. OMB published these optimization metrics last year so they should not be a surprise to agencies and we did this based on feedback from the agencies. The Committee is also previewing a new grading area related to the FITARA and MEGABYTE Act requirements on software license management inventories and the effectiveness of software licenses. There is absolutely no excuse for agencies not to have an accurate inventory of the software licenses they have. This is basic IT management.

From Scorecard 3.0 to Scorecard 4.0, four agencies' grades improved, 15 agencies' grades stayed the same, and five agencies' grades have declined. Notably, the Department of Defense's grade declined from a D to an F. The Committee reduced DOD's grade due to a lack of transparency on IT spending. DOD appears to have reclassified a significant percentage of its IT spending as National Security Systems, which are not covered by FITARA. This lack of transparency is unacceptable. My colleagues and I will be following up with the DOD on this issue.

We also have our first ever 'A' on this Scorecard. USAID, after receiving Ds on each of the first three Scorecards, significantly improved its scores, particularly in the areas of incremental developmental transparency and risk management. I applaud the work of the office of the USAID CIO to address the score and encourage other agencies to look to them as an example in these areas.

Today's hearing features witnesses from HHS, which has received Ds on all four versions of the Scorecard, and currently has 44 open GAO recommendations related to high risk IT acquisitions and operations. I look forward to hearing HHS' plan to close out those recommendations and turn those grades around.

Before I close, I want to take a moment to acknowledge and thank Chairman Chaffetz. The prioritization of IT and cybersecurity issues on the Oversight Committee has been an integral aspect of this Committee's success and I am thankful for Chairman Chaffetz' leadership on these issues. The Congress and the country are better off because of his service as Chairman of the Oversight Committee. I thank Chairman Chaffetz for his service and leadership, and I look forward to working with Chairman Gowdy as he leads the Committee forward. Thank you and I look forward to hearing from all of our witnesses today."